

Message Text

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PAGE 01 PANAMA 05263 222210Z
ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 EPG-02 DODE-00 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-06
OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01
PRS-01 SAB-02 OPIC-03 /108 W
-----043017 230811Z /21

R 222140Z JUL 77
FM AMEMBASSY PANAMA
TO SECSTATE 2875
INFO PANCANAL
USSOUTHCOM

LIMITED OFFICIAL USE PANAMA 5263

DEPT PASS ELLA HAWKINS, INSURANCE DIV/OPIC

EO 11652:N/A
TAGS:ENRG
SUBJECT: PANAMANIAN TRANSSHIPMENT FACILITY FOR ALASKAN OIL

REF: (A) PANAMA 4713; (B) STATE 148198

BEGIN UNCLASSIFIED

1. AS SCHEDULED (REF A) NORTHVILLE REPS LEWIS ROCKWOOD, HAROLD BERSTEIN AND RICHARD BORISOSS ARRIVED JULY 15 AND PURSUED NEGOTIATIONS WITH MIN OF COMMERCE AND INDUSTRIES, JULIO SOSA AND OTHER GOP REPS CONCERNED. THEY ALSO VISITED THE PROJECTED OIL STORAGE FACILITY SITE AT PUERTO ARMUELLES.

2. ACCORDING TO GOP PRESS RELEASE, GOP AND NORTHVILLE REPS HAVE AGREED ON THE INFRASTRUCTURE OF A JOINTLY-OPERATED ENTERPRISE IN WHICH GOP SHALL (A) OWN 25 PERCENT CAPITAL (WITH OPTION FOR INCREASE SHARE); (B) SHARE 60 PERCENT NET PROFITS;
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AND (C) COLLECT AN ESTIMATED YEARLY ROYALTY OF \$3.5 MILLION. GOP SHALL PROVIDE ADEQUATE SPACE FOR THE CONSTRUCTION OF THE OIL STORAGE AND TRANSSHIPMENT TERMINAL, WHICH WOULD HANDLE THE UNLOADING OF AT LEAST 400,000 BARRELS OF CRUDE OIL DAILY. THE GOP/NORTHVILLE VENTURE IS ESTIMATED AT \$42 MILLION. END UNCLASSIFIED

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3. ESSO AND OTHER TRADE SOURCES REPORT NORTHVILLE HAS YET TO COME UP WITH A TRANSSHIPMENT SERVICE ARRANGEMENT WITH ESSO AND SOHIO (REF B) BEFORE CONCLUDING JOINT VENTURE AGREEMENT WITH GOP. AS A RESULT OF RECENT ALASKA PIPELINE DAMAGE, DAILY FLOW OF 650,000-700,000 BARRELS EXPECTED TO MEET ONLY WEST COAST REFINERY CONSUMPTION DEMANDS. AVAILABILITY SURPLUS OIL FOR GULF AND EAST COAST REFINERIES EXPECTED APRIL 1978 INSTEAD OF PREVIOUSLY SCHEDULED AUGUST 1977.

4. NORTHVILLE REPS DEPARTED JULY 12 AND APPARENTLY THEIR TIGHT SCHEDULE PREVENTED THEM FROM CALLING ON THE EMBASSY. THEREFORE, THE DEPARTMENT MAY WISH TO CONTACT ROCKWOOD (REF A) FOR FURTHER DATA. IN THE MEANTIME, EMBASSY CONTACTING GOP REPS CONCERNED AND WILL REPORT FURTHER DEVELOPMENTS AS THEY OCCUR. END LIMITED OFFICIAL USE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: OILS, CARGO HANDLING, MARINE TRANSPORTATION, NEGOTIATIONS, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770263-0569
Format: TEL
From: PANAMA
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770729/aaaaayqr.tel
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Litigation Code IDs:
Litigation Codes:
Litigation History:
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Message ID: 82be5b65-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Channel Indicators: n/a
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Previous Handling Restrictions: n/a
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